

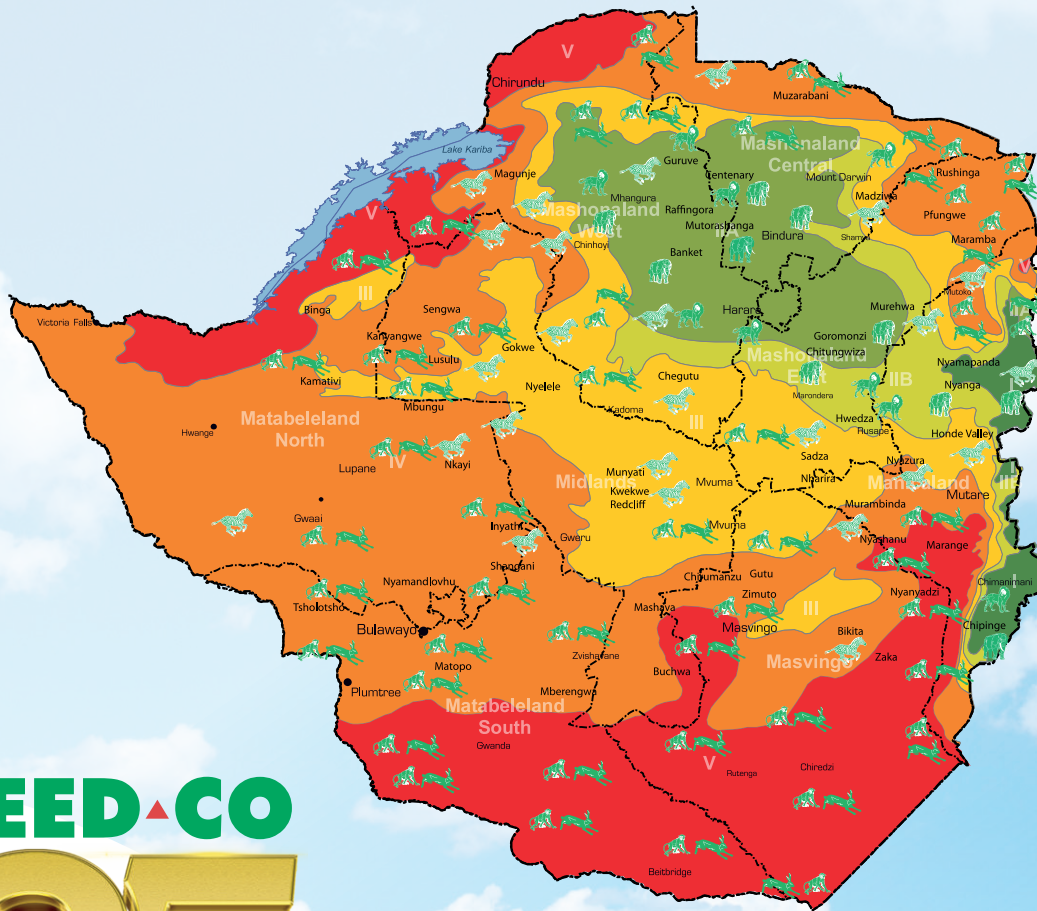


The African Seed Company

SEED CO LIMITED

ABRIDGED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025



THE HOME OF BUMPER HARVESTS





LIMITED

Issued in terms of practice Note 13 of the Zimbabwe Stock Exchange (ZSE)

FOR THE YEAR ENDED 31 MARCH 2025

KEY METRICS

52%

Sales
Volume
Growth

93%

Revenue
Growth

173%

Export
Revenue

ABRIDGED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | 31 March 2025 | *31 March 2024 |
|---|-------------------|--------------------|
| | Audited US\$'M | Restated US\$'M |
| Revenue | 71.21 | 36.89 |
| Cost of sales | (30.46) | (22.11) |
| Gross profit | 40.74 | 14.78 |
| Other income | 6.09 | 56.65 |
| Operating expenses | (26.16) | (22.41) |
| Operating profit | 20.67 | 49.02 |
| Finance income | 0.52 | - |
| Finance costs | (3.46) | (4.77) |
| Monetary loss | - | (13.99) |
| Share of profit from associates and joint venture | 3.75 | 1.17 |
| Profit before tax | 21.48 | 31.43 |
| Income tax expense | (3.95) | (10.24) |
| Profit for the year | 17.53 | 21.19 |
| Other comprehensive income | | |
| Foreign exchange differences on translation of foreign operations | (0.48) | (1.02) |
| Share of other comprehensive profit/(loss) from associate | 2.34 | (0.81) |
| Revaluation of property, plant and equipment | 5.82 | 0.06 |
| Deferred tax on revaluation of property, plant & equipment | 0.11 | (2.92) |
| Total other comprehensive income/(loss) for the year | 7.79 | (4.69) |
| Total comprehensive income for the year | 25.32 | 16.50 |
| Earnings per share - cents | | |
| BEPS -cents | 0.07 | 0.08 |
| DEPS -cents | 0.06 | 0.08 |
| HEPS -cents | 0.06 | 0.07 |

*The comparative figures for 31 March 2024 were initially presented in Zimbabwean Dollars(ZWL), adjusted for inflation in accordance with IAS 29-Financial Reporting in Hyperinflationary Economies. These amounts were subsequently translated into US\$ (the functional currency). Further details on the translation methodology are provided in Note 2.2.

*Although the conversion process was mathematically accurate, users of these financial statements should exercise caution when relying on the reported balances. The figures were significantly impacted by exchange rate distortions and challenges in accurately determining the applicable inflation indices for hyperinflation accounting.

ABRIDGED STATEMENT OF CHANGES IN EQUITY

| | 31 March 2025 | *31 March 2024 |
|---|-------------------|--------------------|
| | Audited US\$'M | Restated US\$'M |
| Opening shareholders' equity | 104.23 | 85.78 |
| Comprehensive income | 25.32 | 16.49 |
| Exercise of share options | - | (0.01) |
| Share based payments | 0.22 | 0.34 |
| Effects of changes in functional currency | - | 1.63 |
| Closing shareholders' equity | 129.77 | 104.23 |

ABRIDGED STATEMENT OF FINANCIAL POSITION

| | 31 March 2025 | *31 March 2024 |
|--|-------------------|--------------------|
| | Audited US\$'M | Restated US\$'M |
| ASSETS | | |
| Property, plant & equipment | 44.90 | 39.91 |
| Investment in associates & joint venture | 31.88 | 26.60 |
| Non-current financial assets | 0.13 | 2.15 |
| Inventories | 25.70 | 28.92 |
| Trade and other receivables | 52.10 | 39.29 |
| Amount due from related entities | 14.87 | 9.79 |
| Other current financial assets | 2.14 | 0.71 |
| Cash and cash equivalents | 0.31 | 0.29 |
| Total assets | 172.03 | 147.66 |
| EQUITY AND LIABILITIES | | |
| Shareholders Equity | 129.77 | 104.23 |
| Long-term borrowings | 5.58 | 8.75 |
| Deferred tax liability | 7.65 | 8.27 |
| Short-term borrowings | 16.45 | 11.15 |
| Bank Overdrafts | 2.33 | 1.93 |
| Trade and other payables | 3.14 | 8.42 |
| Amount due to related entities | 0.04 | - |
| Provisions | 3.08 | 1.94 |
| Income tax payable | 3.99 | 2.98 |
| Total equity and liabilities | 172.03 | 147.66 |

ABRIDGED STATEMENT OF CASH FLOWS

| | 31 March 2025 | *31 March 2024 |
|--|-------------------|--------------------|
| | Audited US\$'M | Restated US\$'M |
| Operating activities | | |
| Profit before tax | 21.48 | 31.43 |
| Reconciling items to net cash flows | 0.97 | (25.69) |
| Working capital changes | (20.10) | (25.63) |
| Tax paid | (3.44) | (1.53) |
| Operating cash flows | (1.09) | (21.42) |
| Proceeds from disposal of PPE | 0.10 | 0.07 |
| Purchase of PPE | (2.18) | (2.35) |
| Proceeds from financial assets | 0.86 | 1.19 |
| Purchase financial assets | (0.34) | - |
| Dividends received | 0.34 | 0.25 |
| Interest received | 0.52 | - |
| Investing cash flows | (0.70) | (0.84) |
| Net proceeds from borrowings | 4.97 | 25.90 |
| Interest paid | (3.16) | (3.86) |
| Financing cash flows | 1.81 | 22.04 |
| Net cash flows during the year | 0.02 | (0.22) |
| Effects of currency translation | - | (0.29) |
| Net changes in cash and cash equivalents | 0.02 | (0.51) |
| Opening cash and cash equivalents | 0.29 | 0.80 |
| Closing cash and cash equivalents | 0.31 | 0.29 |

DIRECTORS

P Gowero (Chairman), M Nzwere (Group CEO)*, T Chatiza (Group CFO)*, A Carvalho, R C D Chitengu (Mrs), Dr D Garwe (Mrs), M P Karombo, K Mafukidze, N C Bennett, F Savin. *Executive

SUPPLEMENTARY INFORMATION
Issued in terms of Practice Note 13 of the Zimbabwe Stock Exchange

This abridged financial results notification has been prepared and authorized by the Board of Directors. It provides a condensed overview of the full announcement and does not contain comprehensive details. All investment decisions by shareholders and investors should be made after careful consideration of the complete financial results publication. A copy of the full announcement is available on the Zimbabwe Stock Exchange website at www.zse.co.zw as well as on the Company's website at www.seedcogroup.com for further reference and analysis.

1 Corporate information

Seed Co Limited is a company which is incorporated and domiciled in Zimbabwe and listed on the Zimbabwe Stock Exchange.

2 Basis of Preparation

The financial statements have been prepared in accordance with IFRS® Accounting Standards, as issued by the International Accounting Standards Board (IFRS Accounting Standards) and interpretations developed and issued by the International Financial Reporting Interpretations Committee (IFRIC® Interpretations). Compliance with IFRS Accounting Standards is intended to achieve consistency and comparability. These financial statements comply with the requirements of the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31) and regulations of the Zimbabwe Stock Exchange.

The Company financial statements are prepared on a going concern basis which assumes the Company will continue its operations for the foreseeable future. The Directors assessed the company's liquidity position, profitability and access to financing and concluded that no material uncertainties exist.

The Company financial statements of Seed Co Limited for the year ended 31 March 2025 were authorised for issue in accordance with a resolution of the Directors on the 27th of June 2025.

2.1 The Company's functional currency

The Company changed its functional currency from the Zimbabwean Dollar (ZWL) to the United States Dollar (US\$) effective 1 April 2024. This change reflects the Company's transition to a primary economic environment more closely aligned with the US\$. The determination was made following a functional currency assessment, considering the following key factors:

- The currency that mainly influences sales prices for goods and services. The US\$ was the primary currency influencing sales prices. During the period under review, 98% of revenue was denominated in US\$, and 68% of invoices will be settled in US\$.
- The currency of the country whose competitive forces and regulations mainly determine the sales prices of its goods and services. Zimbabwe officially uses the Zimbabwe Gold (ZWG) as its currency, introduced in April 2024 to replace the Zimbabwean dollar (ZWL) however the US\$ remains widely accepted in parallel with the ZWG.
- The main currency for the business's receipts and payments. The business traded mostly in US\$.
- The currency that mainly influences labour, material, and other costs of providing goods or services for the year ended March 2025 was mainly US\$.

The Reserve Bank of Zimbabwe (RBZ) introduced the Zimbabwe Gold (ZWG) as the new currency on the 5th of April 2024, replacing the Zimbabwean Dollar (ZWL). The Company's ZWL balances as of April 5th, 2024, were translated to ZWG at a rate of 2,499 which was the official rate when ZWG was introduced.

2.2 Conversion Process of Functional Currency to United States Dollars (US\$)

The Company transitioned its functional currency from ZWL to US\$ effective 1 April 2024 following the restatement of its historical financial statements in line with IAS 29, "Financial Reporting in Hyperinflationary Economies." According to IAS 21, "The Effects of Changes in Foreign Exchange Rates," entities operating in hyperinflationary economies must translate their previously reported inflation-adjusted financial statements using the exchange rate at the last reporting date when changing their functional currency.

All monetary assets and liabilities (cash, receivables, payables) were translated at the closing exchange prevailing at the date of change in functional currency of ZWL 22,055 per US\$1. Given the distortions caused by hyperinflation and exchange rate volatility, an alternative method was used to determine opening balances for non monetary items and the translated values were deemed more appropriate and adjustments were made to reflect their true economic value. Property, plant, and equipment carrying amounts were based on an independent fair value assessment in US\$ and the translation adjustments were made to revaluation reserve with corresponding adjustments to deferred tax balance to reflect the revised carrying amounts. Inventory values adopted were based on US\$ supplier invoices and prepayments were adjusted to reflect actual underlying US\$ payments. The translation adjustments were made to retained earnings with corresponding unwinding of deferred tax for the adjusted amounts.

The comparative financial information in the statement of comprehensive income, statement of changes in equity, and statement of cash flows has been translated to US\$ using the rate of ZWL22,055.

2.3 The Company's presentation currency

The Company's Financial Results are presented in United States dollars (US\$), which is the company's functional and presentation currency for the year ended 31 March 2025. These US\$ financial statements fully comply with the requirements of IFRS® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) with the exception of the treatment of non monetary assets on the change of functional currency as noted in 2.1.2 above.

In accordance with the Monetary Policy Statement (6 February 2025), the company has prepared special purpose financial statements in ZWG to meet additional regulatory requirements. These are available for inspection at the Company's registered office.

Amounts presented in the financial statements have been rounded to the nearest US\$, unless otherwise indicated.

3 Accounting policies

The principal accounting policies of the Company have been consistently followed in all material respects.

4 Commitments And Contingencies

| | March 2025 US\$'M | March 2024 US\$'M |
|---|----------------------|----------------------|
| The Board approved Management's capital expenditure plans for the Company though these were not yet contracted for at the reporting date. | 4.40 | 3.03 |

There were no contingent liabilities at 31 March 2025.

5 Loans & Borrowings

The average cost for long-term borrowings was 7.5%, including the Proparco loan secured by a Seed Co International guarantee. The average cost of short-term US\$ borrowings was 13.5% and ZWG borrowings were 40%. All short-term borrowings in this context were unsecured.

6 Going Concern

The Directors have assessed the Company's ability to continue as a going concern and confirm that the preparation of these financial statements on this basis remains appropriate. While the operating environment presents challenges including currency volatility, high inflation, political uncertainty, evolving policies, and global economic disruptions, the Company has demonstrated resilience and is well positioned to navigate these headwinds.

7 Dividend

The Board decided to declare a dividend of US0.91 cents per share.

8 Events after the reporting date

In accordance with IAS 10 Events After the Reporting Period, the Company has evaluated events occurring between the reporting date (31 March 2025) and the date of authorisation of these financial statements (27 June 2025). No material adjusting or non-adjusting events requiring disclosure have occurred during this period.

9 External auditors' opinion

The abridged Seed Co Limited results for the year ended 31 March 2025, should be read in conjunction with the financial statements for the year ended 31 March 2025, from which they have been extracted. The Company financial statements for the year ended 31 March 2025 have been audited by KPMG Chartered Accountants (Zimbabwe) and an adverse opinion issued thereon.

The auditors' report is modified for IAS 21, The Effects of Changes in Foreign Exchange Rates, in the current and prior years, in respect of determination of US\$ opening balances for non-monetary items, prior year use of internally generated rates in accounting for transactions with growers and prior year determination of split between realised and unrealised portions of exchange gains, IAS 28, Investments in Associates and Joint Ventures, in respect of the associate entity's application of the cost model in accounting for property, plant and equipment (PPE) which is not consistent with Company's policies which require PPE to be revalued annually, and IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors due to these areas of non-compliance remaining uncorrected in the comparative periods. The independent auditors' opinion has been made available to management and those charged with governance of Seed Co Limited. The engagement partner responsible for this review is Vinay Ramabhai (PAAB Practising Certificate Number 0569). The auditors' opinion is available for inspection at the Company's registered office

10 Approval of financial statements

These abridged results have been extracted from the full set of financials statements and are the responsibility of the directors. The full set of financial statements which have been signed 'on behalf of the board by the Chairman and CEO are available on the ZSE data portal and Company website.



P. Gowero (Chairman)

27 June 2025



M. Nzwere (CEO)

27 June 2025

DIRECTORS

P Gowero (Chairman), M Nzwere (Group CEO)*, T Chatiza (Group CFO)*, A Carvalho, R C D Chitengu (Mrs), Dr D Garwe (Mrs), M P Karombo, K Mafukidze, N C Bennett, F Savin. *Executive

COMMENTARY

Overview

Zimbabwe's agribusiness sector remains a critical pillar of the economy, contributing significantly to employment, GDP, and export earnings. However, the industry faces a mixture of challenges and opportunities shaped by climate variability, policy shifts, infrastructure constraints, and evolving market dynamics.

Sales performance

The business recorded 52% in sales volume growth amid increased demand on both local and export markets. Maize seed sales outstripped the budget benefitting from regional demand in response to the El-Nino impact in the previous year. Volume growths were recorded in wheat and small grains seeds as farmers responded to effects of climate change. The business continues to face pricing pressure on the market due to exchange rate disparities and undercutting by competitors.

Financial performance

Strong revenue performance underpinned by sales volume growth, amid growth in exports and tender business on the local market in response to prior year drought. The availability of adequate seed stocks enabled the business to respond to increased demand across the region. The late onset of rains pushed customer preference towards short and medium-season varieties thereby impacting product mix and hence average selling prices.

Gross margins retreated due to restatement of opening inventory into US\$ functional currency. The business had to remeasure the cost of inventory to reflect the true value at conversion period.

Operating expenses grew year-on-year responding to the currency distortions from prior year and growth in sales performance.

Finance costs were for 5% of turnover, down from 10% the previous year. The company remained reliant on borrowings to fund the cash flow gap created by delayed settlement of Government related receivables and the inflationary increase in operational costs.

The profit share from the joint venture and associates was US\$3.8million benefiting from Seed Co International and Prime Seed's notable profitability recovery as well as exchange gain anchored profitability of the local associate Quton.

The company's profitability declined by 17% year-on-year, primarily attributed to the absence of exchange gains following the adoption of the US dollar (US\$) as the functional currency. Previously, under the Zimbabwean dollar (ZWL), the company benefited from exchange rate fluctuations, recording exchange gains when the local currency depreciated against the US\$. Transitioning to a US\$ functional currency eliminated this source of income, directly impacting the bottom line.

Financial position

The carrying value of PPE increased 14% on account of upgrading of the Research laboratory, and modernisation of the plant. The business' land bank continues to appreciate in value due to proposed New City plans.

Increased sales volumes in the current year offered an opportunity for the business to wind down the stocks that were on hand. Production volumes continue to be reviewed to ensure adequate stocks are available across maturity ranges. Wheat seed which was at hand at year end has since been sold in the current winter cropping season.

The increase in receivables is mainly attributable to increased sales and delayed settlement of Government related receivables.

Short-term borrowings increased as the business sought to fund seed exports and local distribution. Additional working capital requirements are driven by operating activities as well as the need to fund the debtors' book. Government related debt is usually serviced post year end.

Research and Development

Research and Development remains the business' key competitive advantage lever with a rich pipeline to 'produce climate responsive products. The maize seed basket has been expanded with the release of SC661 and SC 657 and a high yielding wheat variety SC W9104 was released.

Outlook

Zimbabwe's agribusiness sector continues to face challenges such as climate vulnerability and policy inefficiencies. However, opportunities continue to manifest in high-value crops, technology, and sustainable practices that offer a path to revival. Despite ongoing volatility in the macroeconomic landscape, the company continues to show resilience by capitalizing on its climate smart varieties, local market relevance and pursuing emerging regional opportunities.

F. Sithole (Company Secretary)



27 June 2025

85th Anniversary, Together we grow & together we thrive!

SEED CO
85
Years
KEEP GROWING



DIRECTORS

P Gwero (Chairman), M Nzwere (Group CEO)*, T Chatiza (Group CFO)*, A Carvalho, R C D Chitengu (Mrs), Dr D Garwe (Mrs), M P Karombo, K Mafukidze, N C Bennett, F Savin. *Executive



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Independent Auditors' Report

To the shareholders of Seed Co Limited

Adverse opinion

We have audited the financial statements of Seed Co Limited (the Company), which comprise the company statement of financial position as at 31 March 2025, the company statement of comprehensive income, company statement of other comprehensive income, company statement of changes in equity and company statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information as set out on pages 10 to 55.

In our opinion, because of the significance of the matters described in the *Basis for adverse opinion* section of our report, the financial statements do not present fairly, in all material respects, the financial position of Seed Co Limited as at 31 March 2025, and its financial performance and cash flows for the year then ended in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and the manner required by the Companies and Other Business Entities Act [Chapter 24:31].

Basis for adverse opinion

Non-compliance with IAS 21, *Effects of Changes in Foreign Exchange Rates* (IAS21)

Use of an alternative method in the determination of US\$ opening balances for non-monetary items

As disclosed in note 2.1.1, there was a change in the functional currency for the Company from Zimbabwean Dollar (ZWL) to United States Dollar (US\$) effective 1 April 2024. IAS 21 requires all ZWL inflation adjusted balances as at 31 March 2024 to be converted to US\$ using the exchange rate ruling as at that date. In addition, IAS 21 requires the change in functional currency to be applied prospectively.

Management followed an IAS 21 compliant approach for all financial statement elements except for the following non-monetary items where an alternative method was adopted:

- Property, plant and equipment - the carrying amounts of property, plant and equipment as at 31 March 2024 were determined by taking into account the US\$ valuations of the assets as at that date, instead of translating the ZWL inflation adjusted numbers as at 31 March 2024 to US\$.



- Inventory - the cost of inventory as at 31 March 2024 was restated based on the underlying US\$ costs, instead of translating the ZWL inflation adjusted inventory balance as at 31 March 2024 to US\$.
- Deferred Tax Liability - the balance of the deferred tax liability as at 31 March 2024, was determined by remeasuring the liability based on the restated US\$ carrying amounts and removing the impact of the inflation adjustments on non-monetary assets.

The use of the alternative method in the determination of opening balances for non-monetary items is a departure from the requirements of IAS 21. As a result, the following financial statement elements are impacted.

Statement of comprehensive income and Statement of other comprehensive income

- Revaluation of property, plant and equipment is overstated by US\$7,833,663 (a surplus of US\$5,816,785 was recorded instead of a loss of US\$2,016,878)
- Depreciation expense, as included in *Operating expenses*, is understated by US\$927,352
- Deferred tax movement, as included in *Income tax expense*, is understated by (\$18,740,073)
- Cost of sales (not quantifiable)

Statement of financial position as at 31 March 2025

- Asset revaluation reserve is overstated by US\$971,791
- Inventory (not quantifiable)
- Retained earnings (not quantifiable)

Whilst the above is considered to be material, the impact on cost of sales, inventory and retained earnings could not be quantified as was deemed impracticable as these amounts are further impacted by further non-compliances which arose in the prior year as detailed below.

Prior year non-compliance: Use of internally generated exchange rate

The Company's policy, as disclosed in note 2.18, is to record foreign currency denominated transactions and balances at the foreign currency exchange rate ruling at the transaction date (spot rate). In the prior year, purchases of seed from growers recognised in inventory and sales of farming inputs to growers, disclosed in other income, were denominated and invoiced in US\$. The invoices were then recorded in the system on transaction date at a translated amount using an internally generated exchange rate. These transactions were ultimately settled in ZWL at the internally generated rates, which varied from the official foreign currency exchange rates. This deviation from the requirements of IAS 21 impacted exchange gains/losses, cost of sales and inventories, however, the extent of the impact could not be quantified as was deemed impracticable.

Management has not restated the 31 March 2024 balances in accordance with IAS 8, *Accounting policies changes in accounting estimates and errors* (IAS 8). As a result, the financial statements for the year ended 31 March 2025 are impacted by the resulting misstatements in the opening balances at 1 April 2024, within the performance statements for opening inventory sold during the year and the statement of financial position for the opening inventory which remains on hand as at 31 March 2025.



Prior year non-compliance: Foreign exchange gains/losses: determination of the amount of realised and unrealised portions

As disclosed in note 6.1.1, other income includes net exchange gains. In the prior year, the split between realised and unrealised exchange gains was based on a manual computation outside the financial accounting system. The determination of the exchange gains was with reference to internally generated exchange rates as indicated above.

The manual split between inflation adjusted realised and unrealised portions was an estimate which did not necessarily reflect the materially correct split for all the exchange rate drivers.

Since opening balances enter into the determination of the financial performance and cash flows, adjustments as a result of the above matters, are deemed necessary in respect of the profit for the year reported in the statement of comprehensive income and the net cash flows from operating activities reported in the statement of cash flows. The adjustments, whilst considered material, could not be fully quantified.

Our opinion is further modified due to the effects of this matter on the comparability of the current period's financial statements and the corresponding prior year financial statements as it relates to note 6.1.1 to the financial statements.

Non-compliance with IAS 28, Investments in Associates and Joint Ventures - Inconsistent application of policies

An associate, Quton Seed Company (Private) Limited ("Quton Zimbabwe"), accounts for PPE using the cost model, which is not consistent with the Company's accounting policies which require PPE to be revalued annually. The Company has not made any adjustments to the equity accounting earnings of Quton Zimbabwe, as required by IAS 28, to apply uniform accounting policies. The impact, whilst considered to be material, cannot be quantified on the share of profit from associates and joint venture and the investment in associates and joint venture as was deemed impracticable.

Our opinion in the prior year as at 31 March 2024 was also modified in respect of this matter. Management has not restated the 31 March 2024 balances in accordance with IAS 8. As a result, the financial statements for the year ended 31 March 2025 are impacted by the resulting misstatements in the opening balances at 1 April 2024 and the continued inconsistent application in 2025.

All the items identified in the basis for adverse opinion paragraph are considered material and pervasive to the financial statements as a whole.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Zimbabwe, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse opinion.



Key audit matters

Except for the matters described in the Basis for adverse opinion section, we have determined that there are no other key audit matters to communicate in our report.

Other information

The directors are responsible for the other information. The other information comprises the Corporate information, Directors' statement of responsibility and approval of the financial statements and Directors' report, but does not include the financial statements and our auditor's report thereon. The Seed Co Limited Annual Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we have obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Seed Co Limited Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and the manner required by the Companies and Other Business Entities Act [Chapter 24:31], and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



KPMG

Vinay Ramabhai
Chartered Accountant (Z)
Registered Auditor
PAAB Practicing Certificate Number 0569

30 June 2025

For and on behalf of, KPMG Chartered Accountants (Zimbabwe), Reporting Auditors

Mutual Gardens
100 The Chase (West)
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Zimbabwe